



Government of
Saskatchewan

Annual Report 1983-84

Saskatchewan Co-operation and Co-operative Development

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Saskatchewan Co-operation and Co-operative Development

for the fiscal year ending
March 31, 1984

Hon. Jack Sandberg
Minister

**Saskatchewan
Co-operation and
Co-operative
Development**

**2055 Albert Street
Regina, Saskatchewan
S4P 3V7**

ISSN 0710-684X

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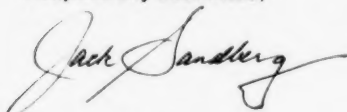
Letters of Transmittal

The Honourable Frederick W. Johnson
Lieutenant Governor
Province of Saskatchewan

Sir:

I have the honour to submit herewith the 40th annual report of the Department of Co-operation and Co-operative Development for the fiscal year ended March 31, 1984.

Respectfully submitted,



Jack Sandberg
Minister
Saskatchewan Co-operation
and Co-operative Development

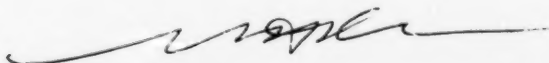


The Honourable Jack Sandberg
Minister of Co-operation and
Co-operative Development
Regina, Saskatchewan

Sir:

I have the honour to submit for your consideration the annual report of the Department of Co-operation and Co-operative Development for the year ended March 31, 1984.

Respectfully submitted,



Bill Reader
Deputy Minister



Introduction

Co-operative businesses across Canada are gaining increased recognition for playing a major role in economic development. The 1984 Report of the National Task Force on Co-operative Development describes co-operatives as a positive option for community-based economic development, and urges governments at all levels to foster a climate that encourages co-operative initiatives.

Co-operatives have the strength and expertise to be a major catalyst in the growth of this province. The proposed heavy oil upgrader, as an addition to the facilities of Consumers' Co-operative Refineries Limited, demonstrates the increasing role of the co-operative sector as a key player in the expanding economy of the province. The upgrader will enable in-province refining of Saskatchewan heavy crude oils.

During 1983-84, the Department of Co-operation put forward programs and initiatives that encourage co-operatives to continue to develop as a vital sector of the provincial economy.

The department continues to support and encourage dialogue between co-operative sector officials and department representatives. This dialogue enables the department to offer effective and relevant programs to meet the economic and social needs of our changing society.

Our main focus for consultation with co-op officials and members continues to be economic development. The department hosted a meeting between the Presidents and Chief Executive Officers of major co-operative organizations and the Minister of Co-operation to discuss opportunities for new co-operative ventures. This meeting laid the groundwork for further discussions on joint co-operative ventures.

The department also co-ordinated discussions between co-operatives and various government departments to ensure that the needs of co-operatives and credit unions are recognized in provincial programming and funding.

The department continues to promote co-operative enterprise as a viable and practical alternative for people to provide themselves with goods, services and employment. In the year under review, 35 innovative co-operatives were formed in the

fields of agriculture, employment, child care, marketing and recreation.

Special projects accomplished during the year include:

- passage of The Co-operatives Act and Regulations by the Saskatchewan Legislative Assembly. This new Act came into effect October 17, 1983;
- distribution of a bylaw handbook to assist co-op members to revise their bylaws under the new Co-operatives Act;
- discussion and review of a first draft of the proposed new Credit Union Act through public hearings.

Administratively, two major changes occurred during the 1983-84 fiscal year. Several related functions of the department were brought together through an amalgamation of branches. The Co-operative Relations Branch and the Development Services Branch were combined to form the Communication and Development Services Branch. This new branch provides support and guidance to people who are interested in establishing or expanding co-operatives, develops departmental policy and program thrusts, and actively pursues consultation, involvement and discussions between the department and the public it serves.

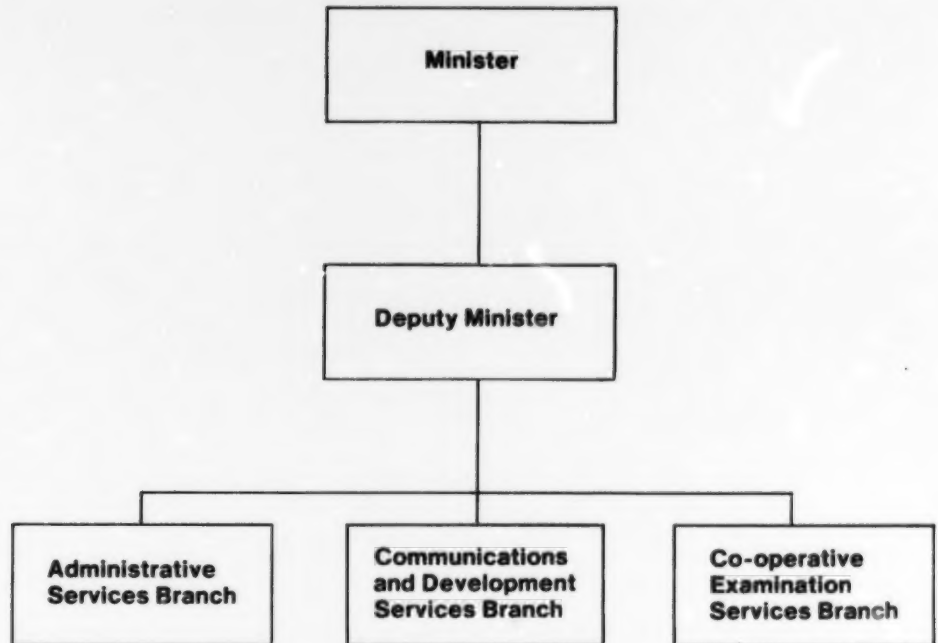
Responsibility for co-operatives in northern Saskatchewan was transferred to the department from the Department of Northern Saskatchewan. Staff in La Ronge worked with fishing co-ops, retail co-ops and rice producers, focusing on member and board development. Department representatives also co-ordinated meetings between fishing co-ops, rice producers, and the Departments of Agriculture, Parks and Renewable Resources, and the Freshwater Fish Marketing Commission.

Co-op officials and members continue to give us many excellent recommendations about matters affecting the future of Saskatchewan's co-operative sector and its relationship with government. Our goal is to increase the opportunities for the co-operative sector to build an exciting future in Saskatchewan's business community, for the economic and social benefit of the people of Saskatchewan.



Bill Reader
Deputy Minister.

Organizational Chart



Objectives

The department's objectives are to promote awareness of the benefits of co-operation and to facilitate the organization and operation of viable, self-sufficient co-operative enterprises which benefit the member, and contribute to the overall growth of the province.

Administrative Services Branch

- provides general administrative support for department functions and programs;
- co-ordinates the development of the department budget;
- controls expenses for the department;
- provides workshops on the Co-operative Learning Model to educators in schools and universities and to other interested parties;
- provides a management consulting service for co-operatives;
- provides legislative co-ordination for the department;
- co-ordinates the Regulatory Reform Program;
- provides financial assessments and follow-up for any grant, loan and guarantee application;
- acts as a secretariat for the Co-operative Guarantee Board.

Employee Training

The branch supported a program of employee performance appraisal within the department to ensure better communication with employees on their progress in meeting performance objectives. A total of 23 staff attended 39 courses and seminars designed to improve their skills and knowledge and to enhance their ability to meet objectives.

Co-operative Education Unit

The education unit provides in-service training and consultation services to Saskatchewan educators including local school boards, the Saskatchewan Teachers' Federation, the University of Saskatchewan, the University of Regina and community organizations.



Positive response to co-operative group learning in-service resulted in Saskatchewan educators implementing the teaching strategy throughout various grade levels and subject areas.



In-service training focused on two main programs: co-operative games and co-operative group learning. Both programs were implemented at the elementary and secondary school levels. Demand for in-service training during 1983-84 resulted in 124 workshops held throughout the province. More than 3,000 people participated.

Education consultants also provided staff training for the department and several co-op boards.

Consulting Services

The Administrative Services Branch provides management consulting to non-aligned co-operatives in areas such as strategic planning, operations, finance and marketing. The branch helps co-operative groups locate financial assistance available from provincial and federal government departments, and from conventional lenders. In addition, consulting is provided on legal matters pertaining to Acts administered by the department.

The feasibility of proposed projects as well as new co-operative incorporations is assessed. This assessment provides the Registrar and the co-op members with a review of the strengths and weaknesses of the project.

Several projects for senior management and other branches of the department were handled by the Administrative Services Branch. In the past year, staff completed work on the Farm Machinery Agency Co-operative Model and background materials required to enable potential members to assess and develop Farm Agency Co-operatives.

Co-operatives Act and Regulations

During 1983, the branch completed a final draft of the new Co-operatives Act replacing three old Acts (Co-operative Associations Act, Co-operative Marketing Associations Act, and Co-operative Production Associations Act). The new Act, prepared after extensive consultation with provincial co-operatives, includes new concepts in corporate law and updated provisions to current practices. It also gives co-operatives more scope to adapt their bylaws and structure to meet their own needs.

New regulations were prepared to accompany the new Act. Both the Act and the regulations came into effect October 17, 1983.

The Administrative Services Branch worked with the Communication and Development and

Examination Services Branches to provide ongoing advisory support for the Department's efforts to familiarize co-operatives with the new Act.

Credit Union Act

Preparation of a proposed new Credit Union Act was supported by the branch. The proposed legislation is to be brought in line with current practices in the financial industry and in corporate law.

In consultation with other department officials, the branch prepared and revised drafting instructions for the proposed Act. Several discussion papers were prepared to assist in the process of identifying and resolving issues.

Reform Projects

The branch reviewed and identified weak or obsolete regulations to be repealed in the near future. As well, several Acts relating to co-operatives passed by the Legislature over several decades, were reviewed to see if they could be repealed.

Some preliminary work was done in identifying needs for simplified procedures and revised or new policies to ensure that administration of the legislation is consistent and efficient.

The branch continues to provide resource and consulting services to other branches in all legislative matters, and obtains legal advice when necessary.

The effect of other department and general government legislation and regulations was monitored for its effect on co-operatives and credit unions.

Grant, Loan and Guarantee Applications

The branch provided financial assessments and follow-up for all grants, loans and guarantee applications. Follow-up procedures protect the interests and investments of the co-operatives as well as of the government.

Secretariat for the Co-operative Guarantee Board

The branch acts as secretariat for the Co-operative Guarantee Board (see Report of Co-operative Guarantee Board).

Co-operative Guarantee Board

The Co-operative Guarantee Board was established in 1947 under the provisions of The Co-operative Guarantee Act (R.S.S. 1978, Chapter 35). Members of the Board as of March 31, 1984 were:

Mr. Bill Reader, Regina, Chairman
Mr. Les Cowen, Sifton
Mr. Robert Linnel, Weyburn
Mr. Morley I. Meiklejohn, Regina
Mr. Henry Zacharias, Meadow Lake
Mr. Winston G. Ho-Fatt, Regina, Secretary

Purpose

The government, through The Co-operative Guarantee Act, acts as a guarantor of last resort to assist in the development of viable co-operative enterprises. The Co-operative Guarantee Board approves guarantees for projects, which are potentially viable and can be of economic and social benefit to the people of Saskatchewan, but which cannot be financed through conventional lenders because of a variety of factors. Such factors might include the novelty of the project, the

lack of sufficient equity financing, the location of the business, or the economic status of the members.

Such projects are usually high risk in nature.

Operations During Past Fiscal Year

No new guarantee applications were received for consideration in the 1983-84 fiscal year as the program is under review.

Three loan guarantees were in effect at March 31, 1984. The amounts of the loans outstanding totalled \$3,250,845.24 and the amount guaranteed was \$2,875,845.24.

Due to implementation of a loan guarantee, the government paid out \$145,423.48 to the Saskatchewan Co-operative Credit Society Limited.

Table 1 details the contingent liability for loan guarantees provided under The Co-operatives Guarantee Act. The annual number of loans approved for guarantees in the last ten years is recorded in Table 11.

Co-operative Guarantee Act

Table I
Government Contingent Liability

Year Ending March 31	Aggregate Loans Outstanding ⁽¹⁾	Guaranteed Portion of Loan Amounts Outstanding			
		Shared Loss ⁽²⁾	Other ⁽³⁾	100% ⁽⁴⁾	Total ⁽⁵⁾
1974	1,126,548.53	100.10	250,000.00	692,684.18	942,784.28
1975	2,930,765.84	—	1,006,922.00	1,773,843.14	2,780,765.14
1976	5,896,530.41	—	1,407,232.15	3,517,676.82	4,924,908.97
1977	5,668,066.76	9,703.00	1,241,644.85	3,640,343.01	4,891,690.86
1978	7,850,794.12	—	1,438,763.37	5,121,396.20	6,560,159.57
1979	12,117,254.12	—	5,667,740.84	5,582,997.99	11,250,738.83
1980	6,757,182.18	—	2,766,544.86	3,285,365.96	6,051,910.82
1981	5,344,505.62	—	2,659,148.67	2,310,356.95	4,969,505.62
1982	3,301,714.35	—	2,628,273.79	298,440.56	2,926,714.35
1983	3,278,679.80	—	2,625,000.00	278,679.80	2,903,679.80
1984	3,250,845.24	—	2,625,000.00	250,845.24	2,875,845.24

(1) Total original loans still outstanding.

(2) Losses shared on a percentage basis.

(3) Losses shared up to specified dollar amount.

(4) Losses guaranteed at 100% to maximum amount.

(5) Balance outstanding (original principal minus amount paid back).

Table II
Number and Amount of Loans

March 31	Approved		Aggregate Loans Outstanding	
	Number	Amount	Number	Amount
1974	10	2,053,408.00	10	1,126,548.53
1975	19	13,118,906.00	20	2,930,765.84
1976	20	12,556,922.00	29	5,896,530.41
1977	12	4,524,600.00	28	5,668,066.76
1978	12	6,063,000.00	26	7,850,794.12
1979	6	5,058,565.00	23	12,117,254.14
1980	3	1,460,965.00	17	6,757,182.18
1981	4	2,554,000.00	7	5,344,505.62
1982	2	550,500.00	5	3,301,714.35
1983	—	—	3	3,278,679.80
1984	—	—	2	3,250,845.24

Communication and Development Services Branch

- provides liaison between the provincial government and the directors, officials and members of Saskatchewan's co-operative sector;
- provides information materials for the general public and co-operative organizations about the benefits of the co-operative business structure, co-operative business principles and practices, and various programs of the department and of government in general;
- develops and co-ordinates programs designed to meet identified needs of co-operatives and the general public;
- provides advice to groups interested in the co-operative business structure; provides development advice leading to the incorporation of a co-operative; and, advises on viability and operating practices;
- provides management advice on legislative requirements; board, management and member roles and responsibilities; bylaws; accounting-bookkeeping; and annual returns.

In December 1983, the Co-operative Relations Branch and the Development Services Branch were amalgamated to form the Communication and Development Services Branch.

The goal of this reorganization was to enable the department to provide better service to the public, and to co-operatives.

The branch is responsible for co-operative relations, communication services, program development and co-ordination, and co-operative development services.



More than 50 different kinds of co-operatives meet the needs of their members. These co-operatives range from farmers' markets to retail — from fishing to machinery sharing.

Co-operative Relations

A major thrust of branch activity during the year focused on building an open and positive working relationship between government and the co-operative sector. The branch worked with other provincial government departments to ensure fair and equal opportunities for co-operatives to grow, develop and contribute as a vital sector of the provincial economy.

Branch representatives worked closely with senior officials of major co-operatives in the province to discuss areas of concern and interest including government programs and needed government action. These discussions resulted in a good understanding between government and co-operative officials, and development of complementary programs to meet identified needs.

The branch co-ordinated a meeting between Presidents and Chief Executive Officers of central co-operative organizations and the Minister of Co-operatives to discuss economic development opportunities in the province. At this meeting, co-operatives were encouraged to become more involved in areas such as food production and processing, tourism, recreation, import replacement, housing, child care and northern development. Further meetings were scheduled to discuss development co-operation in the province.

Co-operative sector participation in drafting The Co-operatives Act contributed greatly to its widespread acceptance and passage by the provincial legislature last October. However, a transition period was required to allow co-operatives to become knowledgeable about the new legislation. To this end, the branch held information meetings for all co-operatives. Meetings were also held with Federated Co-operatives Limited to develop a program to introduce the legislation to co-operative retailers.

Saskatchewan Co-operative Activities Council

The branch continued to provide secretarial services to the Saskatchewan Co-operative Activities Council. The Council's aim is to provide a forum for the co-ordination of joint activities between participating co-operatives.

The Co-operative Merit Awards Program was continued during the fiscal year. The program, sponsored and organized by the branch, is the result of a joint effort between the Saskatchewan Co-operative Activities Council and the department. The program recognizes

the outstanding contributions made by individuals to co-operative development both within the local communities and at provincial and national levels.

Communication Services

The branch provides communication services to support department operations and objectives. These services include: inquiry assistance, news media relations, publications, audio-visual materials, advertising, public relations and the department resource centre.

Several new pamphlets, booklets and informational materials were produced to promote awareness of the benefits of the co-operative business model. Among these materials was a new pamphlet titled "Opportunities For You Through Co-operation". This pamphlet describes how Saskatchewan people are using the co-operative structure in new and innovative ways to meet any need, problem or opportunity.

The branch produced a pamphlet and slide-tape program to promote the benefits of Farm Machinery Agency Co-operatives. These materials are being used in a series of information meetings to demonstrate to farmers ways of reducing capital outlay requirements and farm machinery operating costs.

The preparation and passage of the new Co-operatives Act prompted the branch to produce information material and to co-ordinate activity designed to familiarize co-operatives and the general public with the new Act. As part of this effort, a Bylaw Booklet was produced to assist co-op officials and members in revising their bylaws under the requirements of the new Act.

Other publications produced included: a discussion paper on the new Credit Union Act, a directory of co-operatives, and an Annual Report of Operations of Saskatchewan Co-operatives.

The branch undertook various public relations activities during the year. These activities included: co-ordination of special events, anniversaries and openings, presentation of plaques and awards, preparation of speech materials for senior department staff, exhibits and displays.

Co-operative Development Services

Co-operative Management Advisors (CMAs) are located in ten regional offices throughout Saskatchewan — Regina, Saskatoon, Prince Albert, Tisdale, Yorkton, Estevan, Swift Current, Kindersley, North Battleford and La Ronge.

Services to northern co-operatives, previously provided by the Department of Northern Services, were taken over by the department and are now available through the field office in La Ronge.

Development staff help groups identify the business structure they require, and provide development advice to those who feel the co-operative structure is best for their purposes. This advice includes viability of the potential enterprise, incorporation documentation, and bylaw preparation.

In addition to providing development advice to prospective co-op groups, CMAs also helped established co-op groups to revitalize or expand their operations.



The number and nature of Saskatchewan co-operatives continue to grow, as people apply the co-operative business model in new and innovative ways.

A total of 35 new co-operatives were incorporated during the reporting period. Examples of these enterprises are:

- three continuing housing co-operatives incorporated to provide housing facilities for members;
- a direct charge co-op incorporated to provide savings for members through bulk purchasing of food;
- a federation of Day Care Co-operatives incorporated to provide services to member organizations;
- an employment co-operative incorporated to provide permanent employment for its members;
- a marketing co-op for organic food producers.

The branch continued to provide board of directors training on request. Training includes:

1. Role of the board of directors
2. Functions of the board
 - duties and responsibilities
 - director responsibilities
3. Bookkeeping and accounting procedures

During the 1983-84 budget year, branch staff held more than 250 meetings to discuss co-operative enterprise opportunities. In addition, 105 director workshops were held with more than 1,400 participants attending.

Work began on a major thrust to familiarize co-operatives with the new Co-operatives Act. Numerous bylaw workshops were organized

and a bylaw handbook was distributed to assist co-operatives to understand the new Act and Regulations, and to assist them in reviewing their existing Articles of Incorporation and Bylaws for compliance with the new Act.

Incorporations 1983-84

Consumer	2
Community Recreation	3
Federations	1
Community Service	22
Continuing Housing	3
Production Associations	2
Marketing	2
Total	35



Approximately 10,000 Saskatchewan people serve as directors within the co-operative sector. More than 60% of the population of the province belongs to a co-operative or credit union.

New Incorporations

Table III

Co-operative Associations incorporated from April 1, 1983 to March 31, 1984.

Incorporations	Date Incorporated	Incorporations	Date Incorporated
Consumer		Richmond Rascals	
The Co-Art Artists's Co-operative Limited	May 17, 1983	Playschool Co-operative Limited	Dec. 9, 1983
Regina Service Fee Co-operative Limited	Feb. 28, 1984	Turtle River Co-operative Playschool	Jan. 6, 1984
Community — Recreation		Children's Choice Child Care Co-operative	Feb. 14, 1984
Clarks Crossing Community Co-operative Centre	July 5, 1983	Paynton Playschool Co-operative	March 8, 1984
Torch River Community Club Co-operative	Aug. 10, 1983	Melville and District Farmers' Market Co-operative Limited	May 3, 1983
The Bob Adams Foundation — A Saskatchewan Co-operative	Feb. 28, 1984	Davidson and District Farmers' Market Co-operative Limited	Aug. 9, 1983
Federations		Crocus Co-operative	April 18, 1983
Co-operative Day Care Association of Regina	Jan. 23, 1984	The Crackerjack Janitorial Co-operative Limited	April 18, 1983
Community Service		The "We" Co-operative Limited	Aug. 30, 1983
Balcarres Co-operative Play Group	April 12, 1983	Fertile Valley T.V. Co-operative Limited	Dec. 12, 1983
Cooperative La Fransaskoise Limitee	April 12, 1983	Able Co-operative Services Limited	Jan. 18, 1984
Ducky Day Care Co-operative	May 18, 1983	Continuing Housing	
Mother Hubbard's Child Care Co-operative	July 4, 1983	The Argyle Park Housing Co-operative Limited	Sept. 26, 1983
Lakeview Preschool Co-operative	July 11, 1983	The Gail Stewart Housing Co-operative Limited	Dec. 5, 1983
Prematernelle Co-operative Fransaskoise	July 18, 1983	Deer Valley Housing Co-operative Limited	March 5, 1983
Westmount Community Co-operative Playschool	Aug. 24, 1983	Production Association	
Prematernelle Co-operative Fransaskoise de Regina	Sept. 9, 1983	The Stony Creek Co-operative Limited	May 24, 1983
Glaslyn Co-operative Playschool	Oct. 4, 1983	Rosher Machinery Co-operative Limited	Jan. 24, 1984
Wawota Playschool Co-operative	Oct. 14, 1983	Marketing	
Little Rascals Co-operative Play Centre	Oct. 14, 1983	Canadian Organic Producers Marketing Co-operative Limited	April 19, 1983
		La Loche-Turnor Fishermen's Co-operative Limited	Aug. 22, 1983

Co-operative Examination Services Branch

- co-ordinates the development of required changes to co-operative legislation;
- facilitates public protection through legislation compliance administration;
- maintains the register of co-operatives in Saskatchewan;
- administers an examination and "early warning system" to monitor the performance of co-operatives and credit unions;
- acts as an "Ombudsman" for co-operative member complaints;
- secretariat to the Co-operative Securities Board and the Family Farm Credit Committee;
- compiles aggregate co-operative and credit union statistics.

The Examination Services Branch is staffed by co-operative management advisors located in Swift Current, North Battleford, Yorkton, Prince Albert, Saskatoon and Regina.

Co-operative and Credit Union Legislation

Working closely with our Development Branch field staff, considerable work was carried out by the branch to facilitate the update and completion of new co-operative bylaws. The fiscal year 1983-84 was the first year of a two-year process to achieve this objective. Branch staff were instrumental in the development of sample bylaws that could be used as a guideline by the various types of co-operatives.

The new Co-operatives Act is currently being monitored to determine if there are any significant administrative problems associated with implementation. Amendments will be drafted, if necessary, in the fall of 1984 once discussions have been held with representative co-operative groups.

During 1983-84, two rounds of public hearings were held throughout the province to receive public input on a draft for a proposed new Credit Union Act. More than 900 people including directors, managers, staff, auditors, and other interested parties were in attendance. Branch staff worked with staff from the Credit Union Deposit Guarantee Corporation, with a Legislative Advisory Committee of Credit Union Central, and with resource staff from our department consulting unit to draft a consensus of input received to date. The objective is to have a new Act in effect on January 1, 1985. Credit Union

Regulations will also be drafted to complement the new Act during 1984-85.

Co-ordination with other government departments continued to be a priority during this entire legislative process, so that new legislation complements and is consistent with developments in regulatory reform.

Registry Services

The branch maintains the register of co-operatives and credit unions in Saskatchewan including those out-of-province credit unions and co-operatives which have been registered in Saskatchewan.

All applications for incorporation are reviewed to ensure that proper documentation, viability and bylaw requirements are met. A register is maintained recording all incorporations, amalgamations, dissolutions, changes to bylaws, and special resolutions.

On request, assistance is provided to co-operatives and credit unions in preparing bylaws or amendments to be presented to members. Bylaws are reviewed to ensure compliance with existing provincial legislation.

Credit Unions

One of the main functions of the branch is to carry out periodic inspections of credit unions in Saskatchewan to assist in protecting member deposits and investments.

In 1983-84 fiscal period, staff examined 205 credit unions and branches, an increase of 27 over the 1982-83 period.

The department, during this past year, has maintained excellent working relationships with local credit unions, Credit Union Central and the Credit Union Deposit Guarantee Corporation.

Co-operatives

Examinations are conducted on those co-operatives that have received government funding or guarantees, and secondly on those types of co-operatives targeted as experiencing financial difficulty.

In 1983-84, retail co-operative examinations were conducted as a pilot project in 12 communities. Results of the test program were excellent. Retail boards of directors and officials of Federated Co-operatives Limited were pleased with the response received. The program entails legislative compliance, policy development and protection of members' equity.

The branch also initiated a day care examination program which will continue in 1984-85. Development branch field staff are advised if training opportunities or accounting problems are found. The Department of Social Services is also advised as appropriate.

Member Complaints

The branch acts as "Ombudsman" for co-operative and credit union members. An investigation is carried out to determine the nature and cause of the problem and follow-up action is advised. The investigation provides an opportunity not only to resolve a specific concern but to assist the organization in developing procedures which will ensure similar problems do not arise again.

Statistics

All co-operative and credit union statistics within the province are correlated by the branch. Credit union statistical information is submitted quarterly to the Registrar and forwarded to the Financial Institutions Branch of Statistics Canada. Co-operative statistical information is submitted annually and forwarded to the Co-operatives Unit of the Federal Department of Agriculture. Information on aggregate financial trends, membership, directors and equity is available upon request.

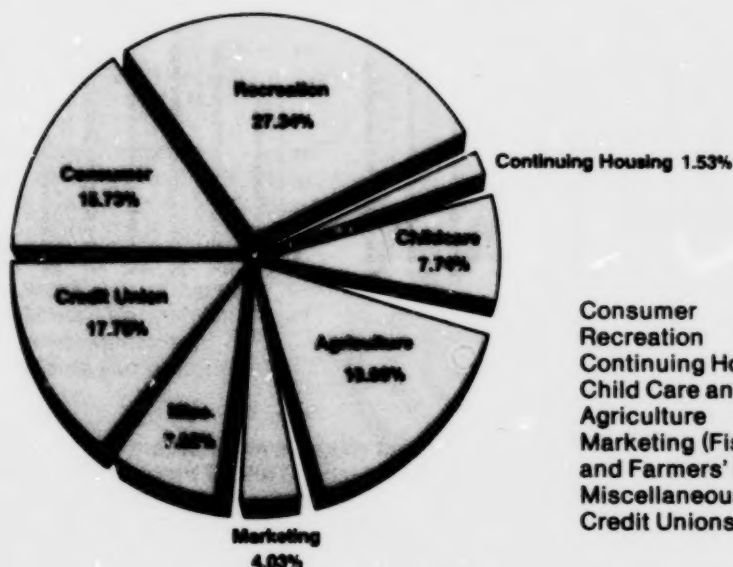
Table IV

Types of Co-operatives as of March 31, 1984

Consumer	195
Recreation	339
Federation	8
Seed Cleaning	9
Continuing Housing	19
Child Care and Playschool	96
Farms and Machinery	67
Grazing	137
Fodder, Feeding and Feedlot	13
Artificial Breeding	7
Marketing	25
Farmers' Markets	25
Miscellaneous	80
	<u>1,020</u>
Credit Unions	220
*Total	1,240

*Some central co-operatives are not included in Table IV above because they operate interprovincially under Federal Government charter, or are incorporated under special provincial legislation not administered by this department.

Types of co-operatives and credit unions as a percentage of the total register:

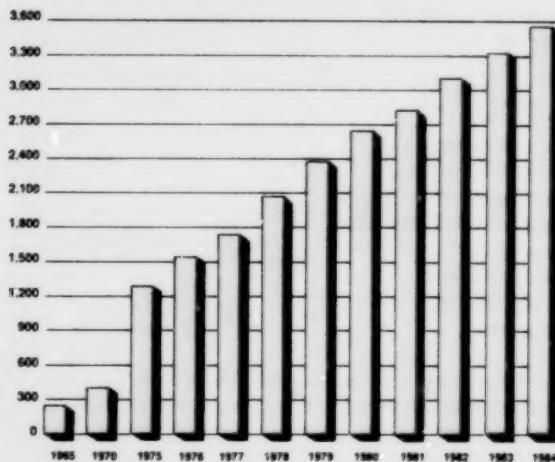


Consumer	15.73%
Recreation	27.34%
Continuing Housing	1.53%
Child Care and Preschool	7.74%
Agriculture	18.06%
Marketing (Fishermen and Farmers' Markets)	4.03%
Miscellaneous	7.82%
Credit Unions	17.75%
	<u>100.00%</u>

Credit Union Statistics

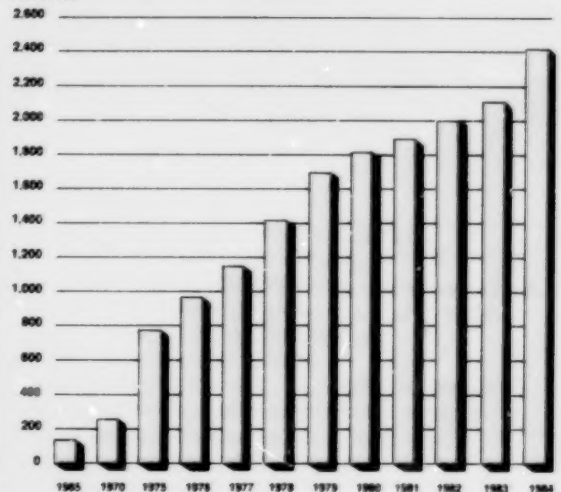
Asset Increase

(millions \$)



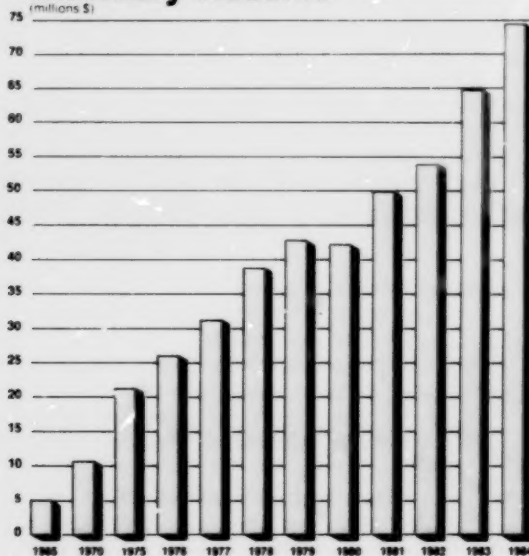
Loans Outstanding

(millions \$)



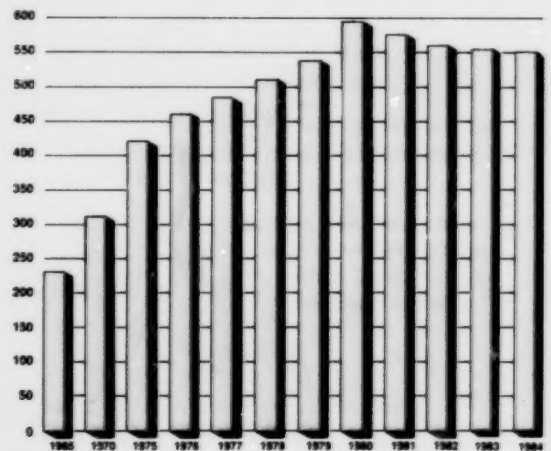
Statutory Reserve

(millions \$)



Membership

(thousands \$)



Co-operative Securities Board

The Co-operative Securities Board was established by Order-in-Council on June 12, 1956, in accordance with subsection 122(a) of The Co-operative Associations Act of 1953. The Board was continued under subsection 223(1) of The Co-operatives Act of 1983. At March 31, 1984, the members of the Board were:

Leslie R. Tendler — Chairman
David Calibaba
Allan Mulholland
Gunnar Pedersen
Monte Curle — Secretary

Purpose

The functions and powers of the Co-operative Securities Board are outlined in Part XIX of The Co-operative Associations Act (Chapter C-37.1). The Board's basic purpose is to review issues of securities that are proposed by co-operatives incorporated or registered under the Act. Prior to giving their approval, the Board will study the financial position and operating results of an association in order to determine its capacity to pay the interest on and principal of the securities as they become due.

With the proclamation of The Co-operatives Act on October 17, 1983, the definition of securities was expanded to include virtually every method of raising capital and applies to every co-operative incorporated or registered under the Act. As a result of these changes, this

report will no longer break down totals for debentures, bonds and savings certificates. These three headings no longer represent the full scope of securities which may now be offered by co-operatives.

Operations

During the 1983-84 fiscal year, the Board met three times to review and approve nine applications for the sale of securities. These issues had a total value amounting to \$101,195,000.

The Board also reviewed a number of other items during its meetings. These items included administration of redemption funds, general administration of securities issued by co-operatives, prospectus revisions, amendments to existing issues and the Board's own policies.

Statistical Information

Since inception of the Board, 353 issues of securities worth a total of \$563,395,500 have been approved. Of the aggregate approved, \$409,801,450 remain in force. Of this amount, \$121,030,044 of securities are still outstanding.

Except for one issue involving a loss to investors of \$5,300, all securities approved by the Board have been fully redeemed at maturity. This loss represents less than 1/1000 of 1% of the total approved.

Family Farm Credit Act

The purpose of the Act is to make long-term credit available to farmers.

Advisory Committee

When enacted in 1959, the Act stipulated that an advisory committee be established. As of March 31, 1984, the members of the committee were:

Mr. Bill Reader, Chairman
Mr. Morley Meiklejohn
Mr. Allan Mulholland
Mr. Monte Curle, Secretary

Loans

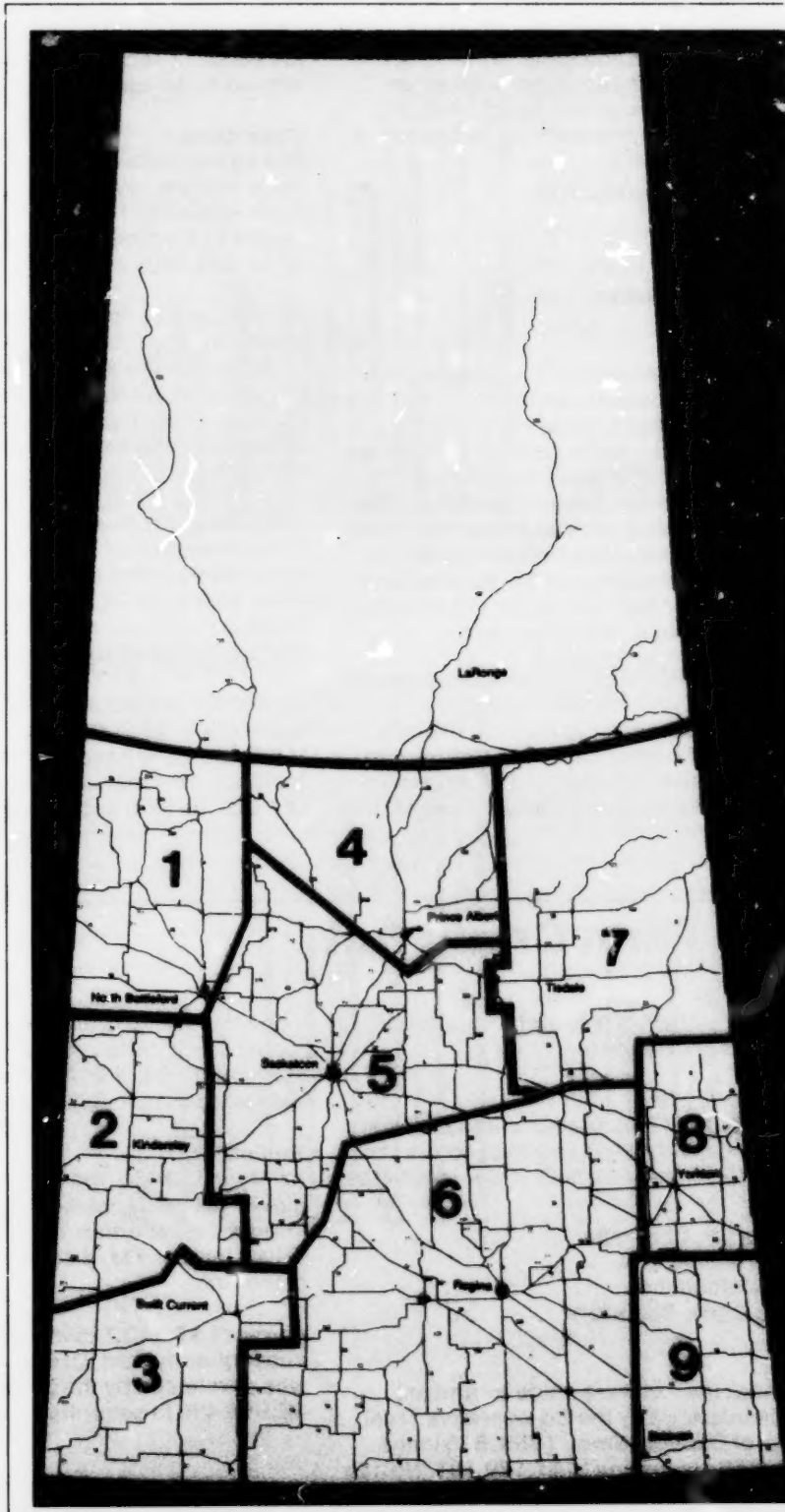
Loans under the Act were made by and are being administered by the Co-operative Trust Company of Canada. Since 1959, 575 loans were granted amounting to \$7,139,181. No new

loans have been granted since 1966. The most recent examination indicated there were 65 loans worth \$422,752 still outstanding. No losses were anticipated on any of these loans.

Securities

On May 10, 1960, the government agreed to guarantee the repayment of principal and interest on securities issued by Co-operative Trust Company to raise funds for the purposes of the Act.

A total of \$7,140,725 in securities was subsequently sold. Of this amount, \$4,406,600 was purchased by the government. To date, \$6,614,425 in securities have been redeemed.



The 9 district offices of the department.

1. North Battleford
2. Kindersley
3. Swift Current
4. Prince Albert
5. Saskatoon
6. Regina
7. Tisdale
8. Yorkton
9. Estevan

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Co-operative
Development**

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Derrick Plaza Building
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